

**CITY COUNCIL MEETING  
CITY OF WATERTOWN  
October 1, 2012  
7:00 p.m.**

**Mayor Jeffrey E. Graham Presiding**

**Present:** Council Member Roxanne M. Burns  
Council Member Joseph M. Butler, Jr.  
Council Member Teresa R. Macaluso  
Council Member Jeffrey M. Smith  
Mayor Graham

**Also Present:** Sharon Addison, City Manager  
Robert J. Slye, City Attorney

**City staff present:** Elliott Nelson, Jim Mills, Ken Mix, Kurt Hauk, Gene Hayes, Barbara Wheeler, Erin Gardner, Amy Pastuf, Melanie Rarick, Peter Keenan, Brenda Harwood, Deputy Chief Randall

The City Manager presented the following reports to Council:

- Resolution No. 1 - Reappointment to the Board of Assessment Review, William W. Parody
- Resolution No. 2 - Waive Connection Fee for Water and Sewer Service at 1130 Superior Street, Owned by Thousand Islands Area Habitat for Humanity
- Resolution No. 3 - Accepting Proposal for Flu Shots, MedReady Medical Group
- Resolution No. 4 - Approving Agreement Between the City of Watertown and the Thompson Park Conservancy
- Resolution No. 5 - Approving Change Order No. 1 to Agreement, Hyde-Stone Mechanical Contractors, Inc.
- Resolution No. 6 - Finding That the Approval of an Ordinance Changing the
- Approved Zoning Classification of a 203 Clinton Street, Parcel 10-08-122, from Residence A to Limited Business District Will Not Have a Significant Impact on the Environment
- Ordinance No. 1 - Amending Section A320 of the City Code, Fees
- Public Hearing - Ordinance Changing the Approved Zoning Classification 203 Clinton Street, Parcel 10-08-122, from Residence A to Limited Business
- Public Hearing - Resolution Approving a Special Use Permit Request for a Remote Accessory Parking Lot at 203 Clinton Street, Parcel 10-08-122, to Serve the Existing Office Building at 316 Sherman Street, Parcel 10-08-124
- Public Hearing - Ordinance Changing the Approved Zoning Classification of 24 Properties, Between Coffeen Street and the Black River, in Order to Conform to The Local Waterfront Revitalization Program
- Creekwood Phase II Property Tax Exemption

- Mayor Joseph M. Butler Pavilion Dedication Signs
- Offer to Purchase a Portion of Conger Avenue
- Real Property Tax Exemption 485-a
- Sunday Hours Trial at the Library
- Reports Issued by NYS Office of the State Comptroller
- Public Auction Notice of City-Owned Tax Sale Certificates
- Public Auction Notice of City-Owned Properties

Meeting opened with a moment of silence.

Pledge of Allegiance was given.

The reading of the minutes of the regular meeting of September 17, 2012 was dispensed and accepted as written by motion of Council Member Roxanne M. Burns, seconded by Council Member Jeffrey M. Smith and carried with all voting in favor thereof.

## **P R E S E N T A T I O N S**

### **Health Insurance Annual Review by Pomco - Christina Lanigan**

Mayor Graham interrupted the regular course of business to allow Pomco representatives **Christina Lanigan** and **Penny Barron** to present annual review of the Health Insurance to Council.

Ms. Lanigan indicated that Pomco has been representing the City of Watertown since 1992 and mentioned that one of the benefits of having a self-funded plan is the ability to have a flexible plan design. In regards to the Early Retiree Reimbursement Program (ERRP), she noted that Pomco was able to recoup approximately \$335,000 for the plan but unfortunately this program is no longer running as of the end of 2011. She presented a breakdown of Total Plan Expenditures and Adjusted Plan Costs Per Enrollee and stated that the trend showed great results. The average annual basis found an increase of 2.7% over the seven time periods and that 93% of the amount spent for the plan goes to claim costs.

In comparison to other plans, Ms. Barron indicated that the average increase has been approximately 6.6% so the City's plan is running very well. She stress that 93% of the money staying within the plan is very good compared to what is seen in the insured market.

Ms. Lanigan said the costs included expenses for inpatient services, outpatient services, major medical services and prescription drug costs and explained the adjusted costs accounts for the stop loss recoveries received over the period of time. She noted that the stop loss protection has paid off in helping the City achieve the 2.7% trend. In regards to the fluctuation in some years, she said that the large claimants' expenses will correlate to the overall plan expenses for the year.

Regarding Provider Network Utilization, Ms. Lanigan commented that the plan has seen a significant increase in the average provider network utilization and reminded Council that as of January 1, 2011, additional network coverage on a national level was added which helps the retiree population. As a result, \$80,000 has gone to that network in the most recent plan year. Ms. Lanigan reviewed the services available under Case Management and explained how each one saves money for the plan as well as monitors high cost claims. She pointed out these services help in communicating back to the plan administrator in order to plan for future costs. Ms. Lanigan discussed the Member Tools available to members stressing that MyPomco.com continues to be the hub of information and education for members.

Council Member Butler asked how much is saved by using the Nationwide Preferred Network.

Ms. Lanigan replied that when a member uses a network provider, the claim is paid at a contracted rate and the provider cannot balance bill the member. She said that she does not have the exact savings available but could calculate it and report back to Council.

Council Member Butler inquired about the stop loss figures for the amount paid verses the amount recovered.

Ms. Lanigan indicated that Melanie Rarick and Jim Mills keep close watch on that.

Council Member Butler asked for a report on this.

Council Member Smith asked for the number of plan participants that access the nationwide network.

Ms. Lanigan responded that she will have to report back to him with that number. She added that there are many things that they monitored so if there are different groups of information that Council wants to be reported on a regular basis they should be able to so.

Council Member Butler asked how the provider network is communicated to the members.

Ms. Lanigan said that any change to the plan is done by an amendment and the benefit office does a great job communicating these to the members. In addition, she said that the identification cards have this information printed on them.

### **Health Insurance Annual Review by ProAct - Zoe Baker**

Mayor Graham interrupted the regular course of business to allow ProAct Account Manager **Zoe Baker** to provide Council with a review of ProAct.

Ms. Baker presented a slide showing the Per Member Per Month (PMPM) Performance comparing Watertown to other municipalities. It showed that Watertown's members used on average 2.5 prescriptions per month which is slightly higher than other municipalities. In regards to the Drug Usage Analysis, generic utilization is 71% and brand utilization is 29% but the Plan Cost per Rx for brand name is \$306.07 which demonstrates why they focus so heavily on generic

utilization. She indicated that ProAct has a number of programs to reach out to members to encourage generic usage.

In regards to Top Therapeutic Categories, Ms. Baker showed a slide explaining the number of members, prescriptions and generic utilization for each category and stated that there is nothing out of the ordinary with this data. She mentioned that in the last few years, many brand name prescriptions have lost their patent and when the new generic is announced, ProAct runs programs that focus on switching members to the generic. This is done through member education and outreach. At the end of the presentation, Ms. Baker reviewed ProAct's Cost Containment Solutions.

In response to Council Member Butler's inquiry, Ms. Baker confirmed that brand name utilization is 29% but it accounts for 72% of the costs. She also explained that in the Top Therapeutic Categories, some categories such as Antiasthmatic do not have a lot of generic alternatives available. She advised that each category has a target set and each is reviewed to see if there are alternatives that the members could switch to. She indicated that educational mailings and then follow-up calls from pharmacists are done to members.

Council Member Butler asked if CanRx could help reduce the 72% that the plan spends on brand names.

Ms. Baker commented that ProAct does work with CanRx on other accounts with limited integration. They provide CanRx with eligibility data and CanRx provides claims back which are loaded into ProAct's system for Drug Utilization purposes. She pointed out that what drives Brand Cost Per Prescription and Brand Plan Spent are specialty medications but she does not recommend those medications be filled through CanRx.

Council Member Butler asked how many municipalities in New York State use CanRx.

Ms. Baker replied that she could research that for him.

Council Member Smith asked why the cost of PMPM is so high.

Ms. Baker indicated that part of it is driven by utilization and if more prescriptions are being filled on a per member basis then the cost per member will be higher. She advised that there is room for improvement in the generic utilization and there is opportunity for savings with CanRx.

Council Member Smith questioned how the mail order usage is monitored.

Ms. Baker said that ProAct encourages mail order utilization through education of the benefit. She stated that the plan design can be changed to encourage mail order usage by implementing penalty copays when using retail for maintenance medications or by mandating that a 90 day supply can only be obtained by mail order.

**Melanie Rarick**, Fringe Benefit Manager told Council that during recent contract negotiations with Police and Fire unions, it became mandatory that a 90 day supply be obtained through the mail.

## **COMMUNICATIONS**

No Communications.

## **PRIVILEGE OF THE FLOOR**

**Brenda Harwood**, representing CSEA and the City's Health Insurance Committee addressed the chair concerning the CanRx program and noted there are many questions regarding this program. She stated that recently the Fire and Police unions agreed to look at the CanRx program so now it is in all three contracts. She offered to arrange for the CanRx group to do a presentation for Council.

**Brian Drappo**, representing Thousand Islands Habitat for Humanity, addressed Council to thank the Fire Department and Police Department for its assistance during a fire recently at one of the residences. He also thanked Council, DPW and City Staff for their support in their projects.

**Joe Rich**, representing DPAO addressed Council regarding the proposed fee changes on the agenda this evening. First, he thanked the City Manager and the Parks and Recreation Superintendent for spending a lot of time with him and the staff of DPAO recently trying to answer many questions. He stated that the concerts that the DPAO brought to Watertown adds to the quality of life. He told the story of why the DPAO started bringing concerts to Watertown and explained how the money that is raised is used. He does not want the City to lose money at their expense because they have been a partner with the City for a long time. He also indicated that his organization doesn't always make money on the concerts and it is a tremendous risk to put on these events. In regards to parking, he is asking that it not be charged just for concerts and that it is charged across the board for everything. He does not want the DPAO to be the only ones holding the bag for some of the fees that are charged. He commented that the DPAO will do everything that it can to meet the fees to lower the cost to the City because it is grateful for the City's help. He also pointed out that many of the people that the DPAO serves are from the City of Watertown.

## **PUBLIC HEARING**

**At 7:37 p.m. Mayor Graham asked the City Clerk to read the notice of Public Hearing Concerning Changing the Approved Zoning Classification 203 Clinton Street, Parcel 10-08-122, from Residence A to Limited Business**

**Mayor Graham declared the hearing open at 7:37 p.m.**

**Roger Howard**, owner of Howard Orthotics and Prosthetics, addressed the chair stating that he acquired the property at 203 Clinton Street to provide additional parking for his staff. He indicated that currently this property is a crack house and it will be torn down in order to make the parking lot. He told Council he is available for questions.

**Mayor Graham declared the hearing closed at 7:38 p.m.**

**At 7:39 p.m. Mayor Graham asked the City Clerk to read the notice of Public Hearing Concerning Approving a Special Use Permit Request for a Remote Accessory Parking Lot at 203 Clinton Street, Parcel 10-08-122, to Serve the Existing Office Building at 316 Sherman Street, Parcel 10-08-124**

**Mayor Graham declared the hearing open at 7:39 p.m.**

No one spoke.

**Mayor Graham declared the hearing closed at 7:39 p.m.**

**At 7:40 p.m. Mayor Graham asked the City Clerk to read the notice of Public Hearing Concerning Changing the Approved Zoning Classification of 24 Properties, Between Coffeen Street and the Black River, in Order to Conform to The Local Waterfront Revitalization Program**

**Mayor Graham declared the hearing open at 7:40 p.m.**

No one spoke.

**Mayor Graham declared the hearing closed at 7:40 p.m.**

## **R E S O L U T I O N S**

**Resolution No. 1 - Reappointment to the Board of Assessment Review, William W. Parody**

**Introduced by Council Member Jeffrey M. Smith**

RESOLVED by the City Council of the City of Watertown, New York, that it hereby reappoints the following individual to the Board of Assessment Review for a five-year term effective October 1, 2012 and expiring on September 30, 2017:

William W. Parody  
741 Davidson Street  
Watertown, New York 13601

**Seconded by Council Member Roxanne M. Burns and carried with all voting yea.**

**Resolution No. 2 - Waive Connection Fee for Water and Sewer Service at 1130 Superior Street, Owned by Thousand Islands Area Habitat for Humanity**

**Introduced by Council Member Joseph M. Butler, Jr.**

RESOLVED that the City Council of the City of Watertown hereby waives the fee for the connections associated with water and sewer service at the home owned by Thousand Islands Area Habitat for Humanity located at 1130 Superior Street.

**Seconded by Council Member Jeffrey M. Smith and carried with all voting yea.**

**Resolution No. 3 - Accepting Proposal for Flu Shots, MedReady Medical Group**

**Introduced by Council Member Teresa R. Macaluso**

WHEREAS the City Purchasing Department has canvassed area medical service providers seeking proposals to supply and administer immunizations for the standard seasonal flu virus to include immunization for the H1N1 virus, per our requirements, and

WHEREAS invitations to submit proposals were issued to thirteen (13) local medical facilities with one (1) proposal received, which was publicly opened and read in the City Purchasing Department on Wednesday, September 19, 2012, at 11:00 a.m., and

WHEREAS City Purchasing Agent Amy M. Pastuf reviewed the proposal received, and it is her recommendation that the City Council accept the proposal submitted by MedReady Medical Group of Watertown, New York, in the amount of \$27 per injection with a 75 inoculation minimum,

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Watertown, New York, accepts the proposal from MedReady Medical Group of Watertown, New York to administer flu shots to interested employees and retirees of the City of Watertown.

**Seconded by Council Member Roxanne M. Burns**

Prior to the vote on the foregoing resolution, Council Member Butler asked how many immunizations were given last year.

Amy Pastuf, Purchasing Agent replied that 130 were given.

**At the call of the chair, a vote was taken on the foregoing resolution and carried with all voting yea except Council Member Joseph M. Butler, Jr. voting nay.**

**Resolution No. 4 - Approving Agreement Between the City of Watertown and the Thompson Park Conservancy**

**Introduced by Council Member Jeffrey M. Smith**

WHEREAS the Lessor, City of Watertown, owns the facility known as Thompson Park, located in the City of Watertown, County of Jefferson, State of New York, and

WHEREAS the Lessor has entered into an Agreement with the Tenant, Thompson Park Conservancy, Inc., to lease certain premises located at the Park for the operation of the "Thompson Park Zoo" by Lease dated December 1997, and

WHEREAS since that time, the City of Watertown has provided both financial and in-kind services in support of the Thompson Park Conservancy, and

WHEREAS the City Council has determined that it is in the best interest of the taxpayers of the City of Watertown to provide direct support to the Thompson Park Conservancy to be used to improve the leased premises as detailed in the attached Agreement,

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Watertown hereby approves the Agreement between the City of Watertown and the Thompson Park Conservancy, a copy of which is attached and made a part of this resolution, and

BE IT FURTHER RESOLVED that City Manager Sharon Addison is hereby authorized and directed to execute this Agreement on behalf of the City of Watertown.

**Seconded by Council Member Teresa R. Macaluso and carried with all voting yea.**

**Resolution No. 5 - Approving Change Order No. 1 to Agreement, Hyde-Stone Mechanical Contractors, Inc.**

**Introduced by Council Member Roxanne M. Burns**

WHEREAS on June 4, 2012, the City Council of the City of Watertown approved a bid submitted by Hyde-Stone Mechanical Contractors, Inc., in the amount of \$431,461 for the installation of pre-purchased HVAC equipment at the Flower Memorial Library and City Hall, per City specifications, and

WHEREAS City Engineer Kurt W. Hauk has submitted the Change Order No. 1 to that contract for consideration by the City Council, and

WHEREAS Change Order No. 1 results in an additional charge of \$42,383, bringing the contract amount to \$473,844,

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Watertown approves Change Order No. 1 to the contract with Hyde-Stone Mechanical Contractors, Inc., for the installation of pre-purchased HVAC equipment at the Flower Memorial Library and City Hall, per City specifications, in the amount of \$42,383, a copy of which is attached and made a part of this resolution, and

BE IT FURTHER RESOLVED that City Manager Sharon Addison is hereby authorized



and directed to execute the Change Order documents on behalf of the City of Watertown.

**Seconded by Council Member Teresa R. Macaluso**

Prior to the vote on the foregoing resolution, Council Member Butler recused himself due to a business relationship with one of the principals of Hyde-Stone. Council Member Butler left Council Chamber.

**At the call of the chair, a vote was taken on the foregoing resolution and carried with all voting yea except for Council Member Joseph M. Butler, Jr. abstaining.**

Council Member Butler returned to Council Chamber.

**Resolution No. 6 - Finding That the Approval of an Ordinance Changing the Approved Zoning Classification of a 203 Clinton Street, Parcel 10-08-122, from Residence A to Limited Business District Will Not Have a Significant Impact on the Environment**

**Introduced by Council Member Teresa R. Macaluso**

WHEREAS the City Council of the City of Watertown, New York, has before it a proposed Ordinance changing the approved zoning classification of 203 Clinton Street, parcel 10-08-122, from Residence A to Limited Business District, and

WHEREAS the City Council must evaluate all proposed actions submitted for its consideration in light of the State Environmental Review Act (SEQRA), and the regulations promulgated pursuant thereto, and

WHEREAS the approval of the zone change would constitute such an “Action,” and

WHEREAS the City Council has determined that changing the zoning classification of this property is an Unlisted Action as that term is defined by 6NYCRR Section 617.2, and

WHEREAS to aid the City Council in its determination as to whether the proposed zone change will have a significant impact on the environment, Part I of a Short Environmental Assessment Form has been prepared by the applicant, a copy of which is attached and made part of this Resolution,

**Seconded by Council Member Joseph M. Butler, Jr. and carried with all voting yea.**

**The Resolution “Approving a Special Use Permit Request for a Remote Accessory Parking Lot at 203 Clinton Street, Parcel 10-08-122, to Serve the Existing Office Building at 316 Sherman Street, Parcel 10-08-124”** (Introduced on 9/17/2012; public hearing held this evening; appears in its entirety on page 242 - 243 of the 2012 Minutes Book)

**At the call of the chair, a vote was taken on the foregoing resolution and carried with all voting yea.**

## **ORDINANCES**

### **Ordinance No. 1 - Amending Section A320 of the City Code, Fees**

#### **Introduced by Council Member Roxanne M. Burns**

BE IT ORDAINED that Section A320-4 of the City Code of the City of Watertown is hereby amended by adding the following paragraphs:

§ A320-4. Schedule of Fees.

A. The schedule for general admission to the City's fairgrounds municipal arena shall be established and enforced as follows:

- (12) Food concessions: Event promoters shall be charged a flat rate of \$250 for the right to allow concessions at their event. An additional \$750 shall be charged if the event promoter desires the City concession stand to be closed during the duration of said event.
- (13) Parking: The City reserves the right to charge a concert/performance event promoter \$1,500 for parking by attendees.

and,

BE IT FURTHER ORDAINED that Section A320-9 of the City Code of the City of Watertown is hereby amended by adding the following paragraphs:

§ A320-9. Schedule of fees.

Municipal fairgrounds facility fees shall be as follows:

- N. Food concessions: Event promoters shall be charged a fee of \$250 per vendor, per event, for the right to allow food concessions at their event.
- O. Parking: The City reserves the right to charge a concert/performance event promoter \$3,000 for parking by attendees.

and,

BE IT FURTHER ORDAINED that this amendment shall take effect as soon as it is published once in the official newspaper of the City of Watertown, or printed as the City Manager directs.

**Seconded by Council Member Teresa R. Macaluso**

**Motion for unanimous consent moved by Council Member Roxanne M. Burns, seconded by Council Member Teresa R. Macaluso with Council Member Roxanne M. Burns voting yea and Council Member Joseph M. Butler, Jr. voting nay which defeated the motion.**

**The Ordinance “Changing the Approved Zoning Classification 203 Clinton Street, Parcel 10-08-122, from Residence A to Limited Business”** *(Introduced on 9/17/12; public hearing held this evening; appears in its entirety on page 246 of the 2012 Minutes Book)*

**At the call of the chair, a vote was taken on the foregoing ordinance and carried with all voting yea.**

**The Ordinance “Changing the Approved Zoning Classification of 24 Properties, Between Coffeen Street and the Black River, in Order to Conform to The Local Waterfront Revitalization Program”** *(Introduced on 9/17/12; public hearing held this evening; appears in its entirety on page 246 - 247 of the 2012 Minutes Book)*

Prior to the vote on the foregoing ordinance, Mayor Graham asked if this is all publicly owned land.

**Ken Mix**, Planning Coordinator replied that this land is privately owned. In regards to public feedback, he stated that the Planning Department sends out notices to all the people affected in the area and does receive some phone calls. He mentioned that since there is no one at the public hearing, he assumes that all the people are satisfied with the changes that are being made. He noted that the planning board has been careful to create nonconforming uses and that existing uses can continue. He added that they are not going along with the original plan which showed a lot of land changed to Riverfront which is more restrictive. He further explained that some properties are changed to Commercial which is less restrictive so he does not anticipate many problems.

Mayor Graham asked about how the final LWRP will play out with the Department of State.

Mr. Mix indicated that the Planning Board will meet tomorrow on Phase 7 and then he anticipates that there may be one more phase beyond that.

Mayor Graham asked how Knowlton Papers was handled.

Mr. Mix stated that Council adopted changes along Factory Street but kept Knowlton's the same and it is split between Light Industrial and Heavy Industrial. In response to Mayor Graham, he said he hopes this will not affect the whole plan's final approval.

**At the call of the chair, a vote was taken on the foregoing ordinance and carried with all voting yea.**

## **DISCUSSIONS**

### **Creekwood Phase II Property Tax Exemption**

Mayor Graham explained that there is a request for a tax exemption which mimics Phase I of this project. He further explained that it was patterned after the Empire Zone Program and that was why this was annexed into the City at the time.

Council Member Burns remarked that the impression was given to the developer that Phase II would be given the same consideration as Phase I in regard to the exemption. She indicated that she would support this because it is new construction that is very much needed. She added that she looks at this in a different light than the Maple Court Apartment.

Council Member Butler said that he did not support Phase I and suggested an amendment to allow some payment towards taxes in the first eight years. He noted that 25% of the apartments will be a market rate. He stressed that these projects continued to be subsidized through tax payers but the taxpayers cannot continue to take the brunt of this so he cannot support this as written. He asked if this project was eligible for the 581-a or 485-b exemption.

Mr. Mix stated that 485-b is just for commercial and with the 581-a, it depends on how the rent is structure but as they found out with Maple Court, there really was not much of a break.

**Linda Goodman**, Norstar Development stated that she does not have the specifics on that specific tax regulation but she could look it up. She explained that when the project was originally site plan approved for a 200 unit project, the land was annexed into the City to be part of the Empire Zone tax exemption and the underwriting was based on the tax structure that it is at now. She mentioned that this project is leveraged by 13 million dollars of private investment and it will provide much needed housing. She pointed out that with Phase I, there exists a waiting list of people in the community that need housing.

Mayor Graham asked with new construction, is the tax abatement part of the monies used to bridge the gap between what it really costs per unit to build and what the market is really bearing.

Ms. Goodman agreed and mentioned that in every other city they work in within New York State, the cities do contribute some type of tax relief. She pointed out that they have not asked for any HOME funds or any other type of financial support from the City. In addition, she remarked that the City's support is looked at very favorably by the State of New York who also will be putting in a tremendous amount of money.

Council Member Butler if Norstar would be submitting an application by October 25<sup>th</sup> for housing tax credit as a method of financing.

Ms. Goodman explained that the NYS Homes and Community Renewal allocates a low income tax credit once per year and that this is a competitive process so the City's support of this exemption is very important in order to be awarded this. The tax credits allocated by NYS will

be utilized to bring in 13 million dollars of private investment. In addition, she said Norstar has also applied to the NYS Consolidated Funding Application round for 3 million dollars and to the NYS Housing Trust Fund Loan for 2.3 million. Norstar will mortgage 2.3 million dollars to complete the 20 million dollars that is needed.

Council Member Smith asked if there will be any other tax credits such as sales tax.

Ms. Goodman responded that DANC will be their partner during the construction process which allows for some sales tax benefits on construction materials. She confirmed for Council Member Smith that they are not supported for Section 8 and it is true low income because they do not get the difference from market rate. She added that if someone is on the street and comes with a Section 8 voucher they can stay there but the state does not allow them to charge different rents.

Council Member Macaluso asked if there were any market value apartments in Phase I.

Ms. Goodman stated that there are about the same number of market value units.

Mayor Graham commented that he does not think of Phase I and Phase II as segregated and feels that it is all part of one arrangement that the City had. He noted that if the financial market had not collapsed in 2008 it all would have been done then so he does not view these as separate distinct projects.

Ms. Goodman stressed that with the 78 low income units, they cannot raise the rents even though their expenses might go up because it is designed to protect families with limited needs.

Council Member Butler suggested they pay 25% of the taxes since 25% of the units are market rate.

Ms. Goodman reminded Council that in order to build the project Norstar is taking out a 2.3 mortgage and their investors want a level of security and are not encouraged by the risk of having taxes in place. She understands Council's view but feels that bringing in another 104 household is a positive for the City as well as it develops that end of Mill Street.

Council Member Smith stated he understands their investors want a sense of security but the people he represents want a sense of security as well and the increase in population in the City also increases the demands on the system which the rest of community has to make up for. Since 25% of the units are market rate, he said he would support the previous amendment offered by Council Member Butler in which a small portion of taxes is paid in the first seven years.

Mayor Graham remarked that the long term benefit to the City is achieved by repopulating the City and requested that the appropriate resolution be drawn for the October 15<sup>th</sup> meeting.

Council Member Butler asked the school district boundaries be addressed.

Ms. Goodman stated that they have been active in getting the school district to work out a deal but it is out of their control to resolve it. She said the breakdown for the school districts is 50/50.

In response to Council Member Butler's inquiry, she stated that she does not have the net operating income projects for the first 10 years with her.

Council Member Butler reiterated that 25% of taxes should be paid in the first eight years.

Mayor Graham asked if they have worked with the Watertown Housing Authority.

Ms. Goodman stated that she could reach out to them.

### **Maple Court PILOT**

Mayor Graham told Council that a new offer was proposed by Ms. Kunis which would change the terms of the PILOT from 30 years to 20 years. He would like to respond to her but would like Council's thoughts. He noted that he did speak to Mr. Fralick from the Watertown School Board and no action has been taken. In talking to some of the County Legislators, he told Council that he was informed that there was not a lot of support for this.

Council Member Butler mentioned that he spoke with Ms. Kunis and Mr. Fralick as well and it is his impression that it was not going to be well received by the school board. He said philosophically he is against it but the City is receiving \$36,000 for the property currently so if someone was to offer a PILOT program of \$45,000 and 3% a year it would be more attractive from an economic revenue generating standpoint.

Mayor Graham noted that when a typical business makes renovations, they do not get any breaks but it is tough when there is a whole class of business people that continue to get exemptions. He stated that this project has been there for 42 years and now they want a PILOT when it is on property that is in the "ritziest part of town". He added that there are people that looked at this property and stated that they would have paid more for the property. He said it bothers him that they have made misrepresentations of the project as well.

Council Member Smith stated that essentially, they are asking that this parcel of property have a 60 year PILOT with 20 years under the new ownership to do maintenance. He said it would be nice to do maintenance on his house and ask for a PILOT. He pointed out that the business owners in downtown Watertown invest in their property for upgrades and they do not get these PILOTs. He mentioned that they are already getting many exemptions. He stressed that if the City's expenses, such as pension costs, continue to rise, the property owner's costs are fixed and the rest of the citizens of Watertown would have to make up the difference. He advised that he is not in favor of this.

Council Member Burns commented that in a perfect world, everyone would pay their full share of taxes but she will support Phase II of Creekwood because it meets the criteria that PILOTs were set out to do. With Maple Court, she said the original 40 year PILOT is now unheard of so for Council to tack on another 20 years just for maintenance of the property would deviate from what Council typically looks at for PILOTs. She stated that she will not support this.

Council Member Macaluso remarked that she is not convinced of the intent of the project as low income.

Mayor Graham stated that he will relay to Ms. Kunis that Council is not interested in this PILOT.

#### **Mayor Joseph M. Butler Pavilion Dedication Signs**

Council concurred to use Option 2 and attach the sign to the support beam in the middle of the north and south side of the pavilion.

#### **Offer to Purchase a Portion of Conger Avenue**

Mayor Graham asked if there is a downside to selling this property.

Council Member Burns asked for Ms. Peck's reason for wanting to buy property.

**James Mills**, City Comptroller said he is not sure of the reasoning but the street line is angled and once she became aware of it, she wanted to resolve it now, verses having a problem down the road.

Mr. Mix reminded Council that the survey is the most accurate in determining if the building is over the property line and he stated it is not.

Council Member Butler asked if the sale would impact anyone driving down the street.

Mr. Mix replied that it will not because it is a right of way.

Mayor Graham asked if the proposed price is consistent with the formula used to sell property.

Mr. Mills stated that at a public auction, a vacant lot sells for \$100.

Mayor Graham wished it be sold using the policy on the books for the sake of consistency and asked for that price to be determined.

#### **Real Property Tax Exemption 485-a**

Council Member Smith explained that he asked for this information and that it is relevant to downtown business owners for any improvements made to their property. He further explained that it does not affect their current taxes or assessment but gives relief on the value on the improvements made to the property. He noted that it gives incentive for people to invest in their property as long as it is used for commercial and residential purposes. He suggested that it should be discussed further at a work session.

Council Member Butler pointed out that the exemption only covers conversions and would not apply to currently mixed use property expansions or to the rehabilitation of vacant buildings and mentioned it would not help buildings like the vacant one on Court Street.

Council Member Burns remarked that 485-a has a pretty defined use and that most municipalities offer 485-b because it is more broad based. She noted that most buildings downtown would be eligible for 485-b because even though there is residential in the upper floors the building is zoned as commercial.

Mayor Graham asked if Council wants to get into another exemption.

Council Member Smith stated that it encourages owners to make improvements in their properties.

Council Member Burns said that she would need more information from the person requesting this to understand why the existing exemptions on the books do not qualify. She also suggested Council Members research this on their own instead of making it a topic of a work session.

Council Member Macaluso agreed with Council Member Burns.

#### **Agenda Management Software**

Council Member Butler stated that he was interested in the Agenda Management Software that the IT Department presented to the City Manager and would like to see if that would save time and money.

#### **Multimedia Presentations in Council Chamber**

Council Member Butler said he supports the IT Department in making enhancements to Council Chambers in order to make a presentation professional and viewable by everyone in the room.

#### **Parks and Recreation Fees for Concession and Parking**

Council Member Butler remarked that the ordinance on tonight's agenda proposing new fees for food concession and parking needs more discussion and should be a work session item because it has tremendous impact on the users of the facility.

Mayor Graham noted that the motion for unanimous consent did not pass and wondered if a debate could occur.

Attorney Slye clarified that Council is entitled to debate it before the motion for unanimous consent but cannot vote on it until unanimous consent is obtained. He added that the habit of Council is to immediately make a motion of unanimous consent, which is what occurred this evening. Once that happens and unanimous consent does not pass, he explained there cannot be further debate.

Council and Attorney Slye discussed the order in which the vote for unanimous consent and discussion could have occurred, mentioning that unanimous consent could have been introduced and seconded, after the legislation was introduced and seconded, then someone could have



mentioned that discussion on the underlying topic is needed, therefore delaying the vote on the unanimous consent until after discussion occurred.

Discussion centered on the fact that the topic should have been brought to Council as a staff report because there are multiple questions. Council decided to discuss this further at next week's work session.

### **CanRx**

Council Member Smith suggested a CanRx presentation be added to next's week work session.

Mayor Graham said he feels that if members want more information on a particular topic then they should research it. In regards to the medical insurance, he advised that there is a health committee that handles this and then makes recommendations to Council. He noted that the committee has already said that they would be considering CanRx.

Ms. Harwood commented that the committee is ready to move forward with the presentation to itself but wanted to offer Council the opportunity to attend as well.

Mayor Graham asked her to make the City Manager aware of when this is scheduled in case any of the members of Council would like to attend.

### **Energy Conservation**

Mayor Graham mentioned that he has done a lot of research on LED lights and recommended that it may be good to use them when replacing light bulbs at City Hall and the Library.

*The following reports were available for Council to review:*

**Sunday Hours Trial at the Library**

**Reports Issued by NYS Office of the State Comptroller**

**Public Auction Notice of City-Owned Tax Sale Certificates**

**Public Auction Notice of City-Owned Properties**

## **A D J O U R N M E N T**

**At the call of the chair, meeting was duly adjourned at 9:13 p.m. by motion of Council Member Joseph M. Butler, Jr., seconded by Council Member Teresa R. Macaluso and carried with all voting in favor thereof.**

**Ann M. Saunders**

City Clerk